BEFORE THE TENNESSEE STATE BOARD OF EQUALIZATION ASSESSMENT APPEALS COMMISSION

Appeal of:	William Lee & Merle R. Todd District G2, Block 31M, Parcel A4)) Shelby County
	Residential Property)
	Tax Year 2005	

FINAL DECISION AND ORDER

Statement of the Case

The taxpayer has appealed the initial decision and order of the administrative judge. The administrative judge adopted the following values placed on the property by the Shelby County Board of Equalization for tax year 2005:

<u>Land Value</u>	Improvement Value	Total Value	<u>Assessment</u>
\$58,700	\$228,000	\$286,700	\$71,675

The appeal was heard in Memphis on May 24, 2006 before Commission members Thomas Brooks (senior member and presiding Chair) and James Wade. Kelsie Jones sat as designated alternate and administrative judge. Mr. and Mrs. Todd represented themselves. Appearing on behalf of the assessor were Attorney John Zelinka, Elizabeth Triplett, and Deputy Assessor Charles Blow.

Findings of Fact and Conclusions of Law

The subject property is a residence located at 8353 Glen Meadow Lane in Germantown. As a preliminary matter, Mr. Todd pointed out that there seemed to be an issue regarding whether the subject residence was a 1.5-story house or a full two-story house. Mr. Todd also stated that the first appraisal on the subject property was \$323,000. Although the taxpayers contend the appraised value of the subject property should be approximately \$275,000, the current appraised value is \$286,700. In the taxpayers' view, the confusion about the size of the house may be one reason for the "high assessment". The taxpayers testified that they had received a call from the assessor's office expressing a desire to do an on-site review of the property. The taxpayers brought photographs of the interior of the house to the hearing. A recess was called so that the representatives of the assessor's office could view the photographs. The photographs were later entered into evidence.

Mr. Todd argued that the appraised value of the subject property is greater than the sale prices of other homes sold in 2004 and 2005. In making his argument, Mr. Todd called the Commission's attention to the comparable sales information and photographs contained in the taxpayers' pre-filed documents. The taxpayer noted that two (2) of the five (5) houses included in his documents

were also included in the assessor's pre-filed documents to support the assessor's position. The taxpayer contended that another possible reason for the "high assessment" is the influx of out-of-state buyers that drove the market up by paying more for homes than they were worth. The taxpayer argued that his "points, documents, and evidence" are just as valid as those of the assessor's. Therefore, the taxpayer argued, based on his evidence, the subject property should be appraised at approximately \$275,000.

The position of the assessor's representatives was that the subject property is located in Germantown, a "prestigious" area. The homes in this area are similar in terms of size, age, and being owner-occupied. The assessor's office argued that the restrictions (e.g., owner maintenance) placed on homes in the subject area keep the property values up. The assessor's representatives also argued that the 2005 sale dates of some of the properties offered as evidence by the taxpayers would preclude proper consideration by the assessor for property tax purposes. The taxpayers rebutted this last point by arguing that the sale dates of the homes offered as evidence by the taxpayers should not bar consideration in value determination. The taxpayers further argued two points:

(a) that the prices of the homes in the area did not decrease; and (b) that the homes used by the assessor in their documents are no closer to the subject property than the homes used by the taxpayers in their documents.

Although the taxpayers made a very thorough presentation of their case, there is no evidence that the current assessment is excessive. Contrary to the position of the taxpayers, the date of sales is important in the valuation of property. The sales prior to the assessment date must be used because post-assessment date sales may be affected by events that influence the real estate market after the assessment date.

ORDER

By reason of the foregoing, it is ORDERED, that the initial decision and order of the administrative judge is affirmed and the following values will remain in effect for tax year 2005:

Land Value	Improvement Value	Total Value	Assessment
\$58,700	\$228,000	\$286,700	\$71,675

This order is subject to:

Reconsideration by the Commission, in the Commission's discretion.
 Reconsideration must be requested in writing, stating specific grounds for relief and the request must be filed with the Executive Secretary of the State Board of Equalization with fifteen (15) days from the date of this order.

- Review by the State Board of Equalization, in the Board's discretion.
 This review must be requested in writing, state specific grounds for relief, and be filed with the Executive Secretary of the State Board within fifteen (15) days from the date of this order.
- Review by the Chancery Court of Davidson County or other venue as provided by law. A petition must be filed within sixty (60) days from the date of the official assessment certificate which will be issued when this matter has become final.

Requests for stay of effectiveness will not be accepted.

DATED: July 21, 2006

Presiding Member

ATTEST:

cc: William Lee & Merle R. Todd

Rita Clark, Shelby County Assessor of Property

Tameaka Stanton-Riley, Shelby County Appeals Manager